STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

IN THE MATTER OF THE PETITION OF INDIANA)	
BELL TELEPHONE COMPANY, INCORPORATED,)	
D/B/A AMERITECH INDIANA PURSUANT TO)	
I.C. 8-1-2-61 FOR A THREE-PHASE PROCESS FOR)	CAUSE NO. 41657
COMMISSION REVIEW OF VARIOUS)	
SUBMISSIONS OF AMERITECH INDIANA TO)	
SHOW COMPLIANCE WITH SECTION 271(C) OF)	
THE TELECOMMUNICATIONS ACT OF 1996.)	

JOINT COMMENTS OF THE INDIANA CLECS

Pursuant to the August 21, 2002 Docket Entry, AT&T Communications of Indiana, Inc. ("AT&T") on behalf of itself and its affiliate TCG Indianapolis ("TCG"), WorldCom, Inc., and McLeodUSA ("Indiana CLECs"), by counsel, respectfully provide answers to the questions posed by the Indiana Utility Regulatory Commission ("Commission"). The August 21, 2002 Docket Entry seeks input from the parties on a number of statistical areas. Accordingly, the Indiana CLEC input is provided. Please note that, in the interest of brevity given the volumes of papers already filed on this topic, the Indiana CLECs respond to the questions specifically seeking CLEC input. Hence, not responding to questions addressed to Ameritech Indiana should not constitute agreement with the position of any other party.

1. Statistical Methodology / Small Sample Parity Test / Permutation Tests [IL 3.2.2]

"In calculating the difference between the performances, the formulae proposed above apply when a larger CLEC value indicates a higher quality of performance. In cases where a smaller CLEC value indicates a higher quality of performance the order of subtraction should be reversed (i.e., $M_{ILEC} - M_{CLEC}$, $P_{ILEC} - P_{CLEC}$, $R_{ILEC} - R_{CLEC}$)." [IL 3.2.2]

QUESTION 1.a. AMERITECH AND CLECs to ANSWER
The applicability of this paragraph is unclear. There are no subtractions of the type indicated (e.g., $M_{ILEC} - M_{CLEC}$, $P_{ILEC} - P_{CLEC}$, or $R_{ILEC} - R_{CLEC}$) in Steps (1) through (9) in Section 3.2.2 of the July 10 Illinois Plan. If, after review, any party believes the quoted language is, in fact, appropriate for the Indiana Remedy Plan, that party should identify the affected Step(s) [Step (1) through Step (9)] and explain how the subtraction formulas in question would be applied to that Step(s).

Answer: Section 3.2.2 of the July 10 plan applies to small sample size testing using nonparametric (e.g., permutation testing) techniques and applies to step (4) of the procedure outlined in section 3.2.1.

Section 3.2.2 is a repeat of Section 3.1.4. In Section 3.1.4 it is explained how the convention for the calculation of the sign of z-scores is defined, depending on whether the submeasure performance increases with increasing value of the submeasure or decreases with increasing value of the submeasure. For example, the maintenance submeasure that describes mean time to repair represents poorer performance the larger value it takes. Thus a mean time to repair of 10 days is worse performance than a mean time to repair of 3 days. Other submeasures, because of their definitions, have the opposite property. For example, the provisioning submeasure that describes the percentage of on-time installations performance is better when this number is larger. Thus 95% on-time installations is better than 80% on-time installations. In order to calculate z scores that always have the same *sign* for all submeasures when performance is discriminatory, a convention must be applied that takes account of whether a submeasure performance becomes worse or better when it increases in value.

The intent of section 3.2.2 is to maintain the convention of section 3.1.4 even when sample sizes are small and nonparametric techniques are employed. The specific place in the permutation testing procedure (steps 1 through 9) that makes use of this convention is step number (4): Compute and store the Z-test score (Z_S) for this sample. The subtractions noted in section 3.2.2 are implicit in this step since a z score is calculated for each sample, and a convention must be specified. Without 3.2.2 it is not clear that the same convention is employed in step (4) of section 3.2.1 as is in section 3.1.4, which applies to the explicit subtractions in sections 3.1.1, 3.1.2 and 3.1.3. Therefore section 3.2.2 clarifies, by repetition, that the same convention for the sign of the z score should be used whether sample sizes are small (3.2) or not small (3.1).

It should be noted that this explanation of the Indiana CLECs' understanding of the Illinois Plan does not mean agreement. That is, while agreeing that the Illinois Plan can be

adopted here in Indiana, there are statistical errors in the Illinois Plan surviving from the original Texas Plan. The Indiana CLECs are concerned with step (1) of the procedure in Section 3.2.1. This step is a remnant of the "Texas plan" originally proposed by Ameritech. This step is one of many vague steps in the originally proposed Ameritech plan. Step (1) does not set the criterion for determining what the value of a *"sufficiently large* number T" is. A criterion or an explicit value of T needs to be specified or the procedure is ill-defined. If the Commission agrees, the Indiana CLECs are prepared to provide their recommended number. Moreover, Section 3.2 is not explicit as to when permutation testing should be used. Nevertheless, these defects do not prevent the Plan, in its entirety, from being a fair compromise proposal for importation to Indiana.

2. Statistical Support for the IURC Staff [IL 3.2.3]

"Ameritech and CLECs shall provide software and technical support as needed by IURC Staff for purposes of utilizing the permutation analysis. Any CLEC who opts into this plan agrees to share in providing such support to IURC Staff."

QUESTION 2.a. AMERITECH AND CLECs to ANSWER

Please explain how the costs for providing the software and technical support to IURC staff would be "shared" or allocated between Ameritech and CLECs. Is any party proposing to recover its portion of those costs from ratepayers or customers?

Answer: The Indiana CLECs believe that Ameritech Indiana should be responsible for assistance to the IURC to the extent that Staff needs help understanding the calculations that Ameritech Indiana provides.

3. Tier 2 Assessments Paid to the State of Indiana [IL 9.1]

"Assessments payable to the State of Indiana apply to the Tier 2 measures designated in Appendix 1 as High, Medium, or Low when Ameritech and/or its affiliate (whichever is better, provided the affiliate data points exceed 30) performance is out of parity or does not meet the benchmarks for the aggregate of all CLEC data. Specifically, if the Z-test value is greater than the Critical Z, the performance for the reporting category is out of parity or below standard. Assessments will be paid when the aggregate of all CLECs has at least 10 observations."

QUESTION 3.b. CLECs to ANSWER

Are there some Tier 2 measures that may generate fewer than 10 observations in the aggregate but that CLECs believe are nonetheless important?

Answer: The Indiana CLECs believe that collocation measures may produce fewer than 10 observations, and are critical to CLEC business. There also may be measures of products/services that are nascent, and initial volumes may be low.

5. **Data and Reporting Requirements Document** (Attached to April 26, 2002 e-mail from Karl Henry. Re-Transmitted and attached on July 29 e-mail Additional Questions, Tasks, etc.) AMERITECH and CLECs TO ANSWER

QUESTION 5. There has been a great deal of discussion regarding data retention policies, procedures, documentation, etc., for performance measures. Please comment on data retention policies, procedures, documentation, etc., for the associated penalties (penalties, remedies, liquidated damages, assessments, etc., etc.)

QUESTION 5.a. Is there a single, uniform storage or retention policy that can be applied to all types of penalty data, algorithms, calculations, results, and reports In other words, should all types of penalty data, algorithms, calculations, results, and reports be stored for the same length of time? What differences exist either between or within these categories (data, algorithms, calculations, results, and reports) that would affect the storage and retention policies or durations? Should the storage and retention durations be the same for penalty data, algorithms, calculations, results, and reports be the same as for the data, algorithms, calculations, results, and reports for the performance measures, themselves?

Answer: All data, including penalty data, should be retained under the same policy.

QUESTION 5.b. Is it necessary to be able to support tracking of payments to individual CLEC accounts (e.g., affiliates or subsidiaries)?

Answer: Yes

QUESTION 5.b.(1) If payments are made by check, what is the appropriate CLEC identification code to support this level of tracking?

Answer: CLEC identification codes are provided between the companies by contract.

QUESTION 5.b.(2) If payments are made by bill credit, what is the appropriate CLEC identification code to support this level of tracking? ACNA? CIC? OCN? BAN? Other?

Answer: The appropriate tracking mechanism is the BAN.

VI.   CONCLUSION

The Indiana CLECs urge the Commission to expeditiously adopt a permanent remedy

plan for Ameritech Indiana.

Respectfully submitted,

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and
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CERTIFICATE OF SERVICE

The undersigned certifies that on the 12th day of September, 2002, copies of the

foregoing Joint Comments of the Indiana CLECS were mailed by first-class United States mail,

postage prepaid to:

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And to all other counsel of record via e-mail service.

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